Impact of drought on economy

†1344. SHRIMATI MOHSINA KIDWAI:
DR. PRABHA THAKUR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the present drought will have an adverse impact on the economy of India;

(b) whether Government have made any assessment with regard to the likely impact on the GDP inflation and price rise; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) The cumulative rainfall in the monsoon season (June-September) in the current year from June 1 to August 11,2004 at 519.3 mm was 7% lower than normal rainfall at 557.8 mm. Rainfall deficiency was 22% in North-West India, 10% in South Peninsular India and 4% in North East India. The cumulative rainfall in Central India was 1% above normal. Sown areas under Kharif crop until the first week of August 2004 are higher than the last year for cotton, groundnut, soyabean, sunflower and maize, but lower than last year for rice, sugarcane, jute and pulses.

(b) and (c) It is too early to make an assessment of the impact of deficient rainfall on GDP and price rise, as agriculture production depends not only on overall rainfall but also on its distribution over time and regions.

Swapping of loans by banks

1345. SHRIMATI N. P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some banks are swapping their sticky loans to avoid showing them as NPAs;

(b) if so, the details of banks which are involved in such deals;

(c) whether the market intelligence cell of RBI has got any idea of such deals; and

†Original notice of the question was received in Hindi.